REMARKS

In an Office Action dated July 26, 2007, the Examiner rejected all 18 claims under 35 U.S.C. 103(a) as being unpatentable over the teachings of U.S. Patent Publication US2003/0008634 (Laybourn) in view of U.S. Patent Publication US2001/0000777 (McGregor).

Responsive to the grounds for this rejection, Applicants are amending the two independent claims, claims 1 and 14, to recite additional steps. As amended, Applicants now recite that batches of scratch cards can be manufactured by either the service provider or reseller; that if the batch is manufactured by the reseller, the reseller has access to data for the batch in the service provider's recharge card management system; that, in response to a customer's request to transfer the value of a scratch card to the customer's account, the scratch card validity is checked and if the card is valid the card is invalidated when the value of the scratch card is transferred to the customer's account and the reseller is billed for an amount associated with the value of the scratch card.

Applicants' attorney has carefully studied the passages of Laybourn cited by the Examiner and for the benefit of the Examiner is providing a copy of paragraphs 007, 0045-0050, 0053-0056, and 0059-0061.

> The present invention provides a technique for facilitating provisioning of prepaid wireless communication services. In accordance with an embodiment of the present invention a wireless device includes a memory that stores a credit amount and a tariff or rate table. The credit amount can be set at the time the device is activated. The device monitors the credit available and recalculates that amount as the device is used. The recalculation uses information stored in the tariff or rate table. In the event the subscriber needs to refresh the available credit he or she contacts the service provider and provides either credit or debit account information and/or prepaid calling card information to an IVR system or to an agent in a call center environment. The provider then generates an SMS message to modify the credit contents of the device's memory over the air. Furthermore, the provider may provide a plurality of alternative tariff or rate tables, and/or may modify such tables over time. The provider can use SMS messages to update the device's memory to include an alternative tariff or rate table.
> [US 2003/0008634 A1, page 1, paragraph 0007]

> At the time of activation, the service provider can use the SMS service described below to provide tariff table information to the device over the air. Updates of this tariff table can be sent whenever a subscriber seeks to refresh the credit of the wireless device as described below. Alternatively, the service provider can initiate an SMS message that forwards tariff table updates at any

time the service provider needs to do so. This enables the service provider to have maximum flexibility in establishing its tariff rates, especially as network providers become more competitive in price structures offering alternative rate packages to capture as many different users, having different usage patterns, as possible.
[US 2003/0008634 A1, page 3, paragraph 0045]

Credit Refresh
[US 2003/0008634 A1, page 3, paragraph 0046]

FIG. 6 provides a flow chart that illustrates the credit refresh process (i.e., increasing the available credit amount). The subscriber accesses the IVR 30 by calling the preprogrammed number using the wireless device 10, the telephone 150 or via a data network such as the Internet. The system permits the subscriber to call the preprogrammed number, even though the available credit amount on the device 10 may have fallen below a required amount needed to make an outbound call.
[US 2003/0008634 A1, page 3, paragraph 0047]

When the preprogrammed number is called, the IVR 30 answers the call (step 600) and launches its application, similar to one used for the activation of the device 10. The IVR 30 collects and validates information about the device 10 (i.e., the MSISDN) (step 610). To increase the available credit amount, the subscriber may use (step 620) a credit/debit card and/or a scratch card (described in more detail below). In a single phone call, the subscriber may increase the available credit amount (step 660) for more than one device 10 and may use more than one credit/debit card, scratch card, or any combination of the above cards.
[US 2003/0008634 A1, pages 3 and 4, paragraph 0048]

Once the scratch card has been authorized (step 650), or the credit/debit card information collected (step 640), and if the subscriber has no further operations to perform, the call will be terminated (step 670).
[US 2003/0008634 A1, page 4, paragraph 0049]

FIG. 7 illustrates a process flow relating to the credit refresh. The IVR 30 may queue the requests for background processing. As the scratch card has been authorized on line during the call the requests may be queued for processing by the EAS 40. (See blocks 700, 720). The credit/debit card information must first be authorized through the Payment Clearing Service (PCS) 200 (block 700 to block 710, to block 730 to block 720).
[US 2003/0008634 A1, page 4, paragraph 0050]

Credit/Debit Card Authorization
[US 2003/0008634 A1, page 4, paragraph 0053]

Specifics as to implementations for the credit/debit card are described below. Due to the possible delay in authorization of the credit/debit card transaction, this process may be performed after the IVR 30 interaction with the subscriber has terminated (step 670). Before the call termination, the subscriber is advised that the available credit amount will be updated; thus, the device 10 should be kept switched on. If the device 10 is turned off, the available credit amount will be updated as soon as the subscriber turns on the device 10.
[US 2003/0008634 A1, page 4, paragraph 0054]

The payment by the credit/debit card requires that the subscriber enter certain information about the credit/debit card. This information includes a card number, an expiration date, an issue number (only for certain types of the debit card), and a desired amount. This information is stored in the credit/debit card queue for transaction authorization (block 710). The process to be performed for the credit/debit card authorization consists of assembling the relevant card information collected from the subscriber in accordance with that required for the input drive on the PCS 200, and then sending this data to an acquirer (e.g., an institution that provided the credit/debit card) (block 730).
[US 2003/0008634 A1, page 4, paragraph 0055]

Payment clearing processing uses the PCS 200 and involves, e.g., the following elements: the subscriber, a card issuer, a merchant and the merchant's transaction acquirer (the acquirer). In one exemplary embodiment, on line requests for payment authorization are submitted by the merchant to the acquirer using protocols defined by the U.K. Association for Payment Clearing Services (APACS) Standards. The acquirer forwards the request to the issuer and returns the response to the merchant. Daily batches of authorized transactions are submitted to the acquirer in a format defined by, e.g., APACS 29 standard. The subscriber presents the credit/debit card information to the IVR 30 operated on the merchant's behalf. The card details are forwarded to the PCS 200, operated on the merchant's behalf.
[US 2003/0008634 A1, page 4, paragraph 0056]

The service provider generates, prints and distributes the scratch card to retailers. The scratch cards are packed in a package. The retailer sells the scratch card to the subscriber. While in a distribution chain the scratch cards cannot be used on the system 1 until they are activated. To activate the scratch card, the retailer has to contact the service provider. Upon providing necessary information (e.g., retailer's identification number, retailer's security code, and an identification number of the package), the service provider activates the scratch card.
[US 2003/0008634 A1, page 4, paragraph 0059]

The CSS 50 maintains detailed record about each scratch card in the scratch card database 240 (described above. In addition, the CSS 50 tracks all scratch cards usage to ensure that the scratch card cannot be used more than once.

> When the subscriber calls to increase the available credit amount, the CSS 50 confirms validity of the scratch card and no further authorization is required. In addition, the IVR 30 collects the scratch cards' records directly from the device 10, and passes these records to the CSS 50 for a validation matching.
> [US 2003/0008634 A1, page 4, paragraph 0060]

> Once the scratch card is validated the IVR 30 terminates the call with the subscriber, then passes the MSISDN and credit update value to the DAS queue for further processing (block 720). The CSS 50 marks the scratch card as 'used' in the scratch card database 240, and then updates the subscriber database 230 to maintain the complete subscriber history.
> [US 2003/0008634 A1, page 5, paragraph 0061]

The Examiner admits that Layboum does not teach the restriction of reseller users accessing card information with their account identification information and account identification information for distributors below the reseller in the reseller's hierarchy. The reason for the failure to include this provision is simple: according to the teachings of Layboum, as stated in paragraph 7, the account information for an individual subscriber is kept in the subscriber's station (device). This is different from the teachings of Applicants' invention wherein the account information for the customer is maintained only by the service provider. Paragraph 47 simply teaches the techniques for communicating between the subscriber and the service provider in order to increment the subscriber's account in the subscriber's device by the amount of the scratch card.

As admitted by the Examiner, Layboum's teachings, described in paragraphs 0047, 0059 and 0060, require that the service provider creates the scratch cards. As stated in paragraph 0059:

> The service provider generates, prints and distributes the scratch cards to retailers.

In support of the statement that the management system is accessible only by authorized service provider or reseller users, the Examiner cites paragraphs 0053-0056, 0059 and 0060. Paragraphs 0053-0056 relate only to credit/debit card authorization, not to scratch card operations which are the subject of this claimed invention. Paragraphs 0059 and 0060 relate to communications between the retailer (i.e., a reseller) and the service provider to activate a scratch card. An activated scratch card can then be used by

the subscriber to increase the available credit amount. There is no indication that the management system is accessible only by authorized...reseller users.

Paragraphs 0047-0050 and 0059-0061 relate to the step of selling the card to a customer and activating the data for the card in the database. Paragraphs 0047-0050 relate to the interchange of information between the subscriber and the service provider to increment the subscriber's account. If the subscriber provides a valid scratch card number, the incrementing takes place in the subscriber's device, not, as in Applicants' invention, in the service provider's database.

The paragraphs quoted by the Examiner to support the rejection of the clause "said customer calling a prepaid administration system to transfer the value of the scratch card to the customer's account" are the same as the passages for the previous clause with the addition of paragraphs describing the feature of updating a tariff table in the customer's device when a scratch card is activated. In Applicants' disclosure, the subscriber's device does not store any such tariff table. While not described, an equivalent tariff table presumably would be stored by the service provider in the recharge card management system or prepaid administration system.

McGregor's teachings refer only to access in a hierarchy of resellers, but do not teach the subject matter discussed above with respect to Applicants' claim 1.

Accordingly, Applicants respectfully submit that there are two major points of difference between their teachings and those of Laybourn, even as augmented by McGregor. First, according to Applicants' teachings, the data for administering prepaid charges is maintained by the service provider and is not maintained in the subscriber device. Second, and importantly, Laybourn does not teach or suggest arrangements whereby resellers can create scratch cards. Consequently, there is no need in Laybourn to provide access to resellers of numerical scratch card data, data which is very readily subject to abuse because a valid scratch card number can be used to pay for service to the person who has obtained this number.

Accordingly, Applicants respectfully submit that the subject matter of claim 1 as amended should be held allowable over the teachings of the cited prior art. Claim 14 should be held allowable for the same reasons since it is essentially an apparatus version of claim 1.

Claims 2-13, dependent from claim 1, and claims 15-18, dependent from claim 14, should be held allowable as being dependent from an allowable independent claim.

Accordingly, Applicants respectfully request that the Examiner reconsider the grounds for the rejection of claims 1-18, allow these claims, and pass the application to issue.

If the Examiner feels that a voice or fax contact would help to advance the prosecution of this application, he is invited to contact Applicants' attorney at telephone number 630 469-3575.

Respectfully submitted
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